

Amendment No. 1 to SB1643

**Cooper J
Signature of Sponsor**

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 1643

House Bill No. 1366*

By deleting all language following the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 56-2-504(b) is hereby amended by deleting in the first sentence "fee of ten (10) dollars" and substituting therefore the following phrase "a fee of fifteen dollars (\$15.00)."

SECTION 2. Tennessee Code Annotated, Section 56-4-101 is hereby amended by deleting subsection (a) in its entirety and substituting the following language:

(a) The commissioner shall collect and pay into the Treasury of this state the following nonrefundable fees:

(1) For receiving and reviewing each new application for admission from every foreign or domestic insurance company, including application for eligibility for surplus lines insurers, six hundred seventy-five dollars (\$675.00);

(2) For issuing each new certificate of authority to a company, foreign or domestic, including letter of notification of eligibility of surplus lines insurers, upon application for admission or eligibility, as the case may be four hundred forty dollars (\$440.00);

(3) For annual review for determination of continuing eligibility of surplus lines insurers, two hundred seventy dollars (\$270.00);

(4) For each company's annual statement, five hundred fifteen dollars (\$515.00);

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(5) For amendments to the company's certificate of authority, ninety dollars (\$90.00);

(6) For each seal of office, with certificate seven dollars (\$7.00); and

(7) For copies of any paper on file or deposit with the Commissioner or the commissioner's office, fifty cents (\$.50) per page.

SECTION 3. Tennessee Code Annotated, Section 56-6-142 subsection (c) is deleted in its entirety and substituting the following language:

(c) The nonrefundable renewal fee for an insurance agent license shall not exceed thirty dollars (\$30.00).

SECTION 4. Tennessee Code Annotated, Section 56-6-153 is hereby amended by deleting the language contained in subsection (b) in its entirety and substituting the following language:

(b) A fee of fifteen dollars (\$15.00) will be charged for each agency contract or agreement, or its termination, of which notice is or should have been received pursuant to subsection (a). The commissioner shall collect such fee or fees from the insurance company on a quarterly basis.

SECTION 5. Tennessee Code Annotated, Section 56-14-104 is hereby amended by deleting the section in its entirety and substituting the following language:

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Section 56-14-104. Surplus Lines Agent's License. (a) The commissioner may issue a surplus lines license to any authorized agent, which shall grant such agent authority to procure the kinds of insurance provided for in this chapter from companies not licensed in this state under the conditions prescribed in this chapter.

(b) Every license issued pursuant to this section shall be for a term expiring on December 31 next following the date of issuance, and may be renewed for ensuing periods of twelve (12) months. A license fee in the amount of sixty dollars (\$60.00) shall be paid annually to the commissioner in advance.

(c) Before any such license shall be issued and before each renewal thereof, a written application shall be filed by the applicant in such form as the commissioner prescribes.

(d) As a prerequisite and before any such license shall be issued, such applicant shall hold a valid certificate of authority or license from the department authorizing the applicant to write the coverages provided for in this chapter with a company licensed to transact business in this state.

SECTION 6. Tennessee Code Annotated, Section 56-32-219 is hereby amended by deleting the language contained therein in its entirety and substituting the following:

Every health maintenance organization subject to this part shall pay to the commissioner the following fees:

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(1) For filing an application for certificate of authority, one thousand three hundred dollars (\$1,300.00);

(2) For filing an amendment to the organization documents that require approval sixty dollars (\$60.00);

(3) For filing each annual report one hundred ninety-five (\$195.00); and

(4) For renewal of the renewal of the certificate of authority each year four hundred forty-five dollars (\$445.00).

SECTION 7. Tennessee Code Annotated, Section 56-35-110 is hereby amended by deleting all the language in subsection (b) and substituting the following language:

any application for such certificate shall be in writing and on forms prescribed by the commissioner and shall be accompanied by a filing fee of one hundred ten dollars (\$110.00).

SECTION 8. Tennessee Code Annotated, Section 55-18-105 is hereby amended by deleting all the language in subsection (a) and substituting the following:

Within thirty (30) days after June 1, 2001, every automobile club or association organized and/or operating in this state shall file with the commissioner an application for a certificate of authority to continue its operations within the state, and every club or association desiring to commence operations within the state, prior to the commencement of its operations, file application with and receive a certificate of authority from the commissioner. No certificate of

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authority shall be issued until the automobile club or association has paid to the commissioner one hundred seventy-five dollars (\$175.00) as an annual license fee, or the pro rata portion thereof necessary to be paid to the end of the current fiscal year from the date of the application of such license. Licenses shall be issued for the period beginning July 1 of each year and shall expire on the following June 30.

SECTION 9. The purpose of this act is to afford the insurance division of the department of commerce and insurance the ability to obtain sufficient staff and resources to adequately implement the provisions of Title 56 and Title 55, Chapter 18, Part 1 as related to the regulation of the business of insurance. Notwithstanding any law to the contrary, the increase in revenues generated by passage of this act shall be utilized by the department of commerce and insurance to defray the expenses of improvements to the department's insurance division incurred in the regulation of the business of insurance, including the expenses associated with any improvements to the division deemed necessary from time to time by the commissioner of the department of commerce and insurance. The improvements contemplated by this act shall be in addition to the base level funding appropriated to the insurance division in the fiscal year ending June 30, 2001. The commissioner of commerce and insurance is directed to identify the increase in revenues generated by this act and the expenditures associated with this increase, and annually inform the commissioner of the department of finance and administration of the amount of any unexpended revenues. The commissioner of finance and administration at the close of each fiscal year shall reserve any excess revenues raised by this act and unspent by the department of commerce and

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insurance, until expended for purposes consistent with this act. Any such funds shall not revert to the general fund on any June 30, and excess revenues shall not revert on any June 30, but shall remain available only for the benefit of the department of commerce and insurance's insurance division.

SECTION 10. This Act shall become effective June 1, 2001 the public welfare requiring it.